

**Default Aversion Symposium III**  
**A Holistic Approach to Default Aversion**  
**April 5, 2007**

**Afternoon Breakout Session Notes**

**Student Timeline Discussion – Four-Year Public and Private Schools**

To start the session, the question was asked, “How do other schools reach their students?”

**COMMENTS**

1. The target audience should be freshman students. In order to get these students to come to a session on financing/budgeting, you must make it mandatory. If you don't make it mandatory, the students won't come. They say they're too busy. Sometimes, parents arrange meetings with the Financial Aid Office, and that seems to work well, but it's not a popular setting when it comes to the students.
2. It was suggested that the residence halls set up their own meetings, and work out a time that would be convenient for the students. Late night seems to work the best. Since the Financial Aid Office seems to have a disconnect with the students, the theory would be that peer counseling would be more effective. It was suggested that they should meet and meet often. There must be defined measures or students will lose interest. The Financial Aid Office could work with the peer counselors to come up with topics to discuss. This might create a more open atmosphere where the students would feel comfortable asking questions.
3. Another idea that was suggested was Work Study students working with other Work Study students. Having a mentor would develop relationships and make the students comfortable to talk with each other. “Sometimes you don't know what you know until you tell someone else.” It is also a subtle way to put the students in touch with faculty and staff for more guidance. Relationships are important. Build on your mentor program, if you don't already have one, start one.
4. John Pierson, U.S. Department of Education Default Prevention Team, mentioned that the Georgia Student Finance Commission has a successful peer course. He said he was sure they would be happy to share that with us.
5. An example of counseling by the Financial Aid Office was mentioned. When a student reaches a student loan debt of \$30,000 they are called in to the Financial Aid Office for one-on-one training. A repeat of entrance counseling, combined with the concept of exit counseling takes place. It is a way of making sure the borrower understands that they have loans to pay back when they get out of school. Sometimes the student is surprised as to how much student loan debt they have accumulated.

6. Another example is to invite students to a financial literacy session. EMU held a session and targeted the NAACP group. They did a presentation using a fictional student who had student loans, credit card debt, etc. It got the students' attention and seemed very effective.
7. There was the thought that the Financial Aid Office should be more involved in the freshmen's lives. This office, in combination with other offices, should take more of a role in assisting freshman students with financial literacy. Let the freshman students know that they are there to assist.
8. There was a question asked, "Is there a down side to a mentoring program?" The only comment was that individual issues may not be addressed in this kind of setting. Mentors should cover situations on a broad scale so that it would lend to the students being able to think about how they would handle their own situation. In this regard, there needs to be a level of sophistication from the mentor.
9. Other issues that came up about financial literacy are that some people believe that this issue needs to be addressed at the high school level by teachers and counselors. Students sometimes think that loans are the only option. However, it may be difficult to enforce that without a state or federal mandate. Michigan Student Financial Aid Association (MSFAA) has the Extreme Reality program that is targeted for middle school through high school students. The sessions cover the importance of education, how the amount of education furthers their lifestyle choices, types of careers and the salaries associated with the career choices, and how to manage a checkbook.
10. It was mentioned that some freshman students get their refund checks in the fall, and they are handed more money than they've ever had. We can't expect them to know what to do with it. Life Skills is a beneficial way of showing the student how to make sense out of their choices – wants vs. need.

## **Student Timeline Discussion – Two-Year Public and Private Schools**

To start the session, the question was asked, “What are some of the schools in the room doing to retain their students?”

### **COMMENTS**

1. Rewriting Satisfactory Academic Policy (SAP). Working with the Academic Office to make both policies the same. The student will then receive a letter from the Academic Office and the Financial Aid Office at the same time.
2. SAP and Return of Title IV – If a student is in either of these situations, it is mandatory for the student to reaffirm their entrance loan counseling one-on-one with a financial aid counselor.
3. When a student completes their initial entrance loan counseling electronically, the Financial Aid Office shares the student’s name with the Advising Office, so they can contact the student to setup an appointment.
4. If the student is not taking the proper classes and is all over the board, then one college makes them complete an educational plan with a counselor. The student has to follow the plan to receive financial aid. The Financial Aid Office monitors the educational plan every semester.
5. A college offers a College 101 class. It teaches how to be successful, study skills, time management, test taking skills, etc. This class is intended for students that have been put on probation.

### **IDEAS TO TAKE BACK TO COLLEGE CAMPUSES**

1. Build relationship with students.
2. Send a letter to financial aid students to welcome them and let them know who their financial aid counselor is.
3. Make sure everything is on the Web to assist the student; however, this can lose the personal touch.
4. Build relationships with other offices.
  - a. Concerned about advising offices stacking too many classes onto a student and then the student is afraid to say anything about the overload of classes.

- b.** Have students make an appointment with an advisor and let the advisor know what is occurring in their life so they don't get an overload of classes.
  - c.** The student needs to inform the advisor that they have to be full-time to stay on their parent's insurance.
- 5.** Pull retention committee together to help students that are not prepared for college classes.
- 6.** Have meetings with other departments concerning money issues pertaining to students.
- 7.** Have the Financial Aid Office participate in orientation.
- 8.** The college has to realize how important the Financial Aid Office is.
- 9.** Pay attention to what is happening on campus and have the Financial Aid Office get involved.
- 10.** The Financial Aid Department renamed the Student Resources and Scholarship Department.
- 11.** One college created a new department called the Success Center, where they advocate for the students.

## **MOST IMPORTANT IDEAS**

- 1.** Build internal relationships and student relationships in every transaction.
- 2.** Keep communication open with everyone.

## **Student Timeline Discussion – Proprietary Schools**

### **PRE-COLLEGE/FOCUS ON COLLEGE PREP**

1. Manage open lines of communication between the different offices (Admissions, Placement, Financial Aid, etc.).
2. Present financial aid nights for high school students.
3. Conduct orientation prior to classes beginning. Orientation could cover rules, regulations, time management, debt management, etc.
4. Create a budget worksheet for students to complete; include the cost of the program, cost of living, additional expenses, etc.
5. Include accumulative debt information with entrance counseling.
6. Involve the parents of dependant students.
7. Have students return to the Financial Aid Office to complete the FAFSA, MPN, entrance counseling, etc.
8. Work with other areas of the college (Admissions Office, Placement Office, etc.) for a smooth transition for the student.

### **TRANSITION PHASE**

1. Involve parents.
2. Establish early intervention, get to know students so if something out of the ordinary happens such as skipping several classes, staff will notice and become involved. Also for instance, if a student's car breaks down, search to see if another student living near that person could give them a ride.
3. Stay in contact with the student (phone, email, meetings) on a weekly basis to keep communication open. Get to know the student by name.
4. Develop programs to get students excited about school and connected to the school. Have events geared toward specific programs; for instance organize a fashion show with the fashion design students.
5. Meet monthly to discuss how the student is doing.
6. Conduct lunches with students and staff (at all levels – director, dean, financial aid officers, etc.) in a casual, informal setting.

7. Organize an “externship” with previous students coming back to speak with new students to share their college and the workplace experience.
8. Conduct college fairs and have employers there share information with students and have rooms setup for on-the-spot interviews. Invite the students and the public, this will allow the public to come to the school and see what the school has to offer and possibly recruit future students.

## **NEAR/AFTER GRADUATION**

1. Include debt information in exit packets.
2. Follow up with students on a quarterly basis. Follow up with telephone calls, mail postcards and/or flyers. Conduct graduation fairs where a student must visit several stations; collect cap and gown at one station, exit counseling at another, individual counseling to discuss any questions, concerns, setup loan repayment schedule.